

THE CORPORATION OF THE VILLAGE OF ASHCROFT

FINANCIAL STATEMENTS

December 31, 2025

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of THE CORPORATION OF THE VILLAGE OF ASHCROFT (the Village) have been prepared by management in accordance with Canadian public sector accounting standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of The Village's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Village Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

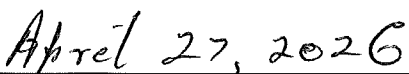
The Audit Committee reviews the Village's financial statements and recommends their approval to Village Council. The Audit Committee meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the financial statements and the external auditors' report. The Mayor and Council take this information into consideration when approving the financial statements for issuance to the residents. The Mayor and Council also consider the engagement of the external auditors.

The financial statements have been audited by Doane Grant Thornton LLP in accordance with Canadian generally accepted auditing standards on behalf of the ratepayers. Doane Grant Thornton LLP has full access to the Council and management.

On behalf of The Corporation of the Village of Ashcroft



Yoginder Bhalla, CFO



Date

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council,
THE CORPORATION OF THE VILLAGE OF ASHCROFT

Opinion

We have audited the accompanying financial statements of THE CORPORATION OF THE VILLAGE OF ASHCROFT (the Village), which comprise the statement of financial position as at December 31, 2025, and the statement of accumulated surplus, statement of operations, statement of change in net financial assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of THE CORPORATION OF THE VILLAGE OF ASHCROFT as at December 31, 2025, and the results of its operations, changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Village in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

We draw attention to the fact the supplementary information included in Schedules 1 through 9 do not form part of the financial statements. We have not audited or reviewed this supplementary information and, accordingly, we do not express an opinion, a review conclusion or any other form of assurance on this supplementary information.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Village's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Village or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Village's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Village's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Village to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Doane Grant Thornton LLP

Chartered Professional Accountants


Kamloops, Canada
April 27, 2026

THE CORPORATION OF THE VILLAGE OF ASHCROFT
STATEMENT OF FINANCIAL POSITION
December 31, 2025

FINANCIAL ASSETS	2025	2024
Cash and cash equivalents (Note 5)	\$ 4,509,545	\$ 1,951,435
Restricted cash and cash equivalents (Note 5)	6,153,967	5,333,038
Accounts receivable	291,973	291,685
Taxes and utilities receivable	<u>361,805</u>	<u>308,107</u>
	<u>11,317,290</u>	<u>7,884,265</u>
 LIABILITIES		
Accounts payable and accrued liabilities	569,022	564,429
Deferred revenue (Note 6)	3,009,754	433,352
Asset retirement obligation (Note 7)	<u>247,846</u>	<u>240,336</u>
	<u>3,826,622</u>	<u>1,238,117</u>
NET FINANCIAL ASSETS	<u>7,490,668</u>	<u>6,646,148</u>
 NON-FINANCIAL ASSETS		
Tangible capital assets (Note 8)	18,751,295	18,946,226
Prepaid expenses	<u>43,309</u>	<u>134,936</u>
	<u>18,794,604</u>	<u>19,081,162</u>
ACCUMULATED SURPLUS (Note 9)	<u>\$ 26,285,272</u>	<u>\$ 25,727,310</u>

COMMITMENTS AND CONTINGENCIES (Note 10)

APPROVED ON BEHALF OF MAYOR AND COUNCIL:



Yoginder Bhalla, CFO

THE CORPORATION OF THE VILLAGE OF ASHCROFT
STATEMENT OF ACCUMULATED SURPLUS
Year ended December 31, 2025

	2025	2024
ACCUMULATED SURPLUS, beginning of year	\$ 25,727,310	\$ 25,031,747
ANNUAL SURPLUS	<u>557,962</u>	<u>695,563</u>
<u>ACCUMULATED SURPLUS, end of year</u>	<u>\$ 26,285,272</u>	<u>\$ 25,727,310</u>

See accompanying notes to financial statements.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
STATEMENT OF OPERATIONS
Year ended December 31, 2025

	Budget (Note 15)	2025	2024
REVENUES:			
Municipal taxation (Note 12)	\$ 2,096,743	\$ 2,124,314	\$ 2,032,975
Sales of services	1,315,500	1,325,330	1,324,804
Government transfers (Note 13)	2,688,825	1,450,333	1,378,604
Licenses, permits, penalties and fines	204,950	392,343	407,817
	<u>6,306,018</u>	<u>5,292,320</u>	<u>5,144,200</u>
EXPENSES:			
General government services	754,107	676,504	740,089
Protective services	649,481	327,941	190,606
Transportation services	859,207	701,665	753,640
Environmental and public health services	567,794	466,186	344,693
Recreational and cultural services	1,066,124	957,976	959,858
Water and sewer services	1,522,599	1,604,086	1,459,751
	<u>5,419,312</u>	<u>4,734,358</u>	<u>4,448,637</u>
ANNUAL SURPLUS	\$ 886,706	\$ 557,962	\$ 695,563

See accompanying notes to financial statements.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
Year ended December 31, 2025

	Budget	2025	2024
ANNUAL SURPLUS	\$ 886,706	\$ 557,962	\$ 695,563
Acquisition of tangible capital assets	1,780,000	(576,148)	(316,165)
Amortization of tangible capital assets	715,000	771,079	713,672
Change in prepaid expenses	-	91,627	(105,326)
INCREASE IN NET FINANCIAL ASSETS	3,381,706	844,520	987,744
NET FINANCIAL ASSETS, beginning of year	6,646,148	6,646,148	5,658,404
NET FINANCIAL ASSETS, end of year	\$ 10,027,854	\$ 7,490,668	\$ 6,646,148

See accompanying notes to financial statements.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
STATEMENT OF CASH FLOWS
Year ended December 31, 2025

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Annual surplus	\$ 557,962	\$ 695,563
Non-cash changes to operations:		
Amortization	771,079	713,672
(Increase) decrease in:		
Accounts receivable	(288)	516,227
Taxes and utilities receivable	(53,698)	(24,785)
Prepaid expenses	91,627	(105,326)
Increase (decrease) in:		
Accounts payable	4,593	(114,716)
Deferred revenue	2,576,402	351,852
Asset retirement obligation	7,510	7,510
Cash flows from operations	<u>3,955,187</u>	<u>2,039,997</u>
CASH FLOWS FROM CAPITAL ACTIVITIES:		
Acquisition of tangible capital assets	<u>(576,148)</u>	<u>(316,165)</u>
Cash flows used in capital	<u>(576,148)</u>	<u>(316,165)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Statutory reserve fund	(550,588)	(411,562)
Reserve for future expenditures	(270,341)	(55,203)
Cash flows used in investing	<u>(820,929)</u>	<u>(466,765)</u>
INCREASE IN CASH AND CASH EQUIVALENTS	2,558,110	1,257,067
CASH AND CASH EQUIVALENTS, beginning of year	<u>1,951,435</u>	<u>694,368</u>
CASH AND CASH EQUIVALENTS, end of year	\$ 4,509,545	\$ 1,951,435

See accompanying notes to financial statements.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
NOTES TO FINANCIAL STATEMENTS
December 31, 2025

NOTE 1. ENTITY:

The Corporation of the Village of Ashcroft (the Village) was incorporated in 1952 under the Municipal Act, a statute of the Province of British Columbia. Its principal activities include the provision of local government services to the residents of the incorporated area. These services include administrative, protective, transportation, environmental, recreational, water, sewer and fiscal services.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES:

Basis of Presentation:

The financial statements are the responsibility of management and prepared in accordance with Canadian public sector accounting standards (PSAS). The preparation of these financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods. These financial statements include the operations of the General, Water, Sewer, and Reserve Funds.

Basis of Accounting:

The Village's financial statements are prepared using the accrual basis of accounting.

Budget Figures:

The budget figures are from the 5-Year Financial Plan Bylaw and are adopted before May 15th of each year. Subsequent amendments have been made by Council to reflect changes in the budget as required by law.

Cash and Cash Equivalents:

The Village's cash and cash equivalents and pooled money market funds are recorded at fair market value. Short-term investments are held with the Municipal Finance Authority and are held in short term bonds and a money market fund.

Asset Classification:

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for sale. Non-financial assets include tangible capital assets and prepaid expenses.

Tangible Capital Assets:

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Major Asset Category

Buildings	20 to 70 years
Machinery and equipment	5 to 25 years
Pool, arena and other facilities	50 to 100 years
Roads	25 to 75 years
Storm sewer	100 years
Plants and facilities	20 to 70 years
Underground networks	100 years

The Village reviews the useful lives and the carrying values of its tangible capital assets at least annually or more frequently if events or changes in circumstances indicate that the assets might be impaired, by reference to the assets' contribution to the Village's ability to provide services. When assets no longer have any long-term service potential to the Village, the assets are considered to be impaired. An impairment loss is measured at the amount by which the carrying amount of the assets exceeds their fair value, which is estimated as the expected service potential of the assets.

Tangible capital assets acquired during the year but not available for use are not amortized until they are available for use.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
NOTES TO FINANCIAL STATEMENTS
December 31, 2025

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued):

Contributions of Tangible Capital Assets:

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt.

Leases:

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

Reserve Funds:

Reserves for future capital expenditures represent funds to finance future capital projects. Statutory reserves are restricted by the Community Charter and the associated municipal bylaws that established the reserves.

Revenue Recognition:

The Village derives revenues from a number of sources. Revenue is recognized on the accrual basis as it is earned, or as services are provided, and is measurable and becomes receivable under the terms of the applicable funding agreements.

Revenues, other than government transfers, that are externally restricted through stipulations imposed by an agreement with an external party, legislation, or regulation that specify the purpose or purpose for which the resources are to be used are deferred on the statement of financial position. The revenue is recognized in the year in which it is used for the specified purpose.

Municipal Taxation:

Annual levies for non-optional municipal services and general administrative services are recorded as taxes for municipal purposes. Levies imposed by other taxing authorities are not included as taxes for municipal purposes. Taxes are recognized as revenue in the year they are levied.

Through the BC Assessment appeal process, taxes may be adjusted by way of supplementary roll adjustments. The effect of these adjustments on taxes are recognized at the time they are awarded.

Sales of Services:

Sales of services are recognized as revenue when the service or product is provided by the Village. These include charges for garbage collection, rentals, permits, licenses, pool and arena fees, and other recoveries.

Revenue related to fees or services received in advance are deferred and recognized when the fee is earned or service is performed.

Government Transfers:

Unconditional transfer revenue is recognized when it has been authorized by the transferor. Conditional transfer revenue is recognized when the transfer has been authorized by the transferor and the Village has met all of the eligibility criteria, unless the transfer creates a liability (conditions on the use of the funds that have not yet been fulfilled by the Village). Conditional transfers for capital expenditure revenue are categorized when eligible expenditures are incurred by the Village.

Licenses, permits, penalties and fines:

Own revenue sources derived from licenses, permits, penalties, fines and donations are recognized when the service or obligation is provided by the Village and when collectability is reasonably assured. Interest income is recorded on the accrual basis and is recognized when earned.

Municipal Pension Plan:

The Village's pension plan follows the guidelines of the Municipal Pension Plan which is administered by the Province of British Columbia for all British Columbia municipalities. The Village and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers is responsible for administering the plan, including investment assets and administration of benefits. The plan is a multi-employer defined benefit plan. See Note 10 for further details.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
NOTES TO FINANCIAL STATEMENTS
December 31, 2025

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued):

Expense Recognition:

Expenses are recorded on the accrual basis and are recognized as they are incurred as a result of the receipt of goods and services or the creation of a legal obligation to pay.

Use of Estimates:

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates. A significant area requiring management estimates includes the useful life of tangible capital assets and asset retirement obligations. Management reviews these estimates on a periodic basis and, where necessary, makes adjustments prospectively.

Contaminated Sites:

Governments are required to accrue a liability for the costs to remediate a contaminated site. Liabilities are recognized when an environmental standard exists, contamination exceeds the standard, the government has responsibility for remediation, future economic benefits will be given up and a reasonable estimate can be made. The Village has not recognized any liabilities for remediation of contaminated sites.

Segment Disclosure:

The accounting policies of the segments are the same as those described in the summary of significant accounting policies. The revenues and expenses that are directly attributable to a particular segment are allocated to that segment. Amounts that are directly attributable to a number of segments have been allocated on a reasonable basis.

The segments are as follows:

Government Services – Mayor & Council, Finance, and Human Resources:

The Departments within General Government Services are responsible for adopting bylaws; adopting administrative policy; levying taxes; acquiring, disposing and managing Village assets; ensuring effective financial management; monitoring performance and ensuring that high quality service standards are met.

Protective Services – Fire Protection:

Fire Protection includes all of the operating activities for fire prevention and suppression.

Transportation Services - Public Transit and Street Maintenance:

Public Transit and Street Maintenance involve the repair and maintenance of the road network and traffic services.

Environmental and Public Health Services - Waste Management:

Waste Management includes all of the revenue and expenses related to the collection and disposal of solid waste and community development, tourism and promotional activities.

Recreational and Cultural Services - Parks, Recreation and Culture:

The Parks, Recreation and Culture Department is responsible for providing, facilitating the development of, and maintaining high quality parks, recreation facilities, and cultural services.

Water Services - Water Department:

The Water Department includes all the operating activities related to the treatment and distribution of water throughout the Village.

Sewer Services - Sewer Department:

The Sewer Department operates network sewer mains and pump stations.

Reserve Funds - Statutory Reserve Funds:

The Statutory Reserve Fund is comprised of the machinery and equipment replacement reserve and capital works reserve.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
NOTES TO FINANCIAL STATEMENTS
December 31, 2025

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued):

Financial instruments:

All financial instruments are recorded at their cost or amortized cost except for portfolio investments in equity instruments quoted in an active market and derivatives which are recorded at their fair value with unrealized remeasurement gains and losses recorded in the statement of remeasurement gains and losses. Once realized, remeasurement gains and losses are transferred to the statement of operations. Changes in the fair value on restricted assets are recognized as a liability until the criterion attached to the restrictions has been met, upon which the gain or loss is recognized in the statement of operations.

Transaction costs related to financial instruments measured at cost or amortized cost are added to the carrying value of the financial instrument. Transaction costs related to financial instruments recorded at their fair values are expensed as incurred.

Financial liabilities (or part of a financial liability) are removed from the statement of financial position when, and only when, they are discharged or cancelled or expire.

Asset retirement obligations:

A liability for an asset retirement obligation is recognized when all of the following criteria are met:

- there is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- the past transaction or event giving rise to the liability has occurred;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

The liability is measured at the Village's best estimate of the amount required to retire a tangible capital asset (or a component thereof) at the financial statement date. The estimate includes costs directly attributable to the asset retirement activities. The costs also include post-retirement operation, maintenance and monitoring that are an integral part of the retirement of the tangible capital asset and the costs of tangible capital assets acquired as part of asset retirement activities to the extent those assets have no alternative use.

Upon initial recognition of the liability for an asset retirement obligation, the carrying amount of the corresponding tangible capital asset (or component thereof) is increased by the same amount. The capitalized asset retirement cost is expensed in a rational and systematic manner over the useful life of the tangible capital asset (or a component thereof). For obligations for which there is no tangible capital asset recognized or for tangible capital assets that are no longer in productive use, the asset retirement costs are expensed immediately. Subsequently, the liability is reviewed at each financial statement reporting date and is adjusted for changes as a result of the passage of time with corresponding accretion expense and is adjusted for any revisions to the timing, amount of the original estimate of undiscounted cash flows, or the discount rate. Adjustments to the liability as a result of revisions to the timing, amount of the estimate of undiscounted cash flows or the discount rate are adjusted to the cost of the related tangible capital asset and the revised carrying amount of the related tangible capital asset is amortized except for adjustments related to tangible capital assets that are not recognized or no longer in productive use, which are expensed in the period they are incurred.

The asset retirement costs are amortized on a straight-line basis.

A recovery related to asset retirement obligation is recognized when the recovery can be appropriately measured; reasonably estimated and it is expected that future economic benefits will be obtained. The recovery is not netted against the liability.

Statement of remeasurement gains and losses:

The statement of remeasurement gains and losses has not been included in the financial statement as there have been no remeasurement gains or losses as of December 31, 2025 or accumulated gains or losses from prior fiscal periods.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
NOTES TO FINANCIAL STATEMENTS
December 31, 2025

NOTE 3. FUTURE ACCOUNTING CHANGES

Future accounting pronouncements

Effective January 1, 2027 the Village will adopt the new Conceptual Framework for Financial Reporting in the Public Sector and PS 1202 – Financial Statement Presentation.

The Conceptual Framework for Financial Reporting in the Public Sector

The conceptual framework will replace the conceptual components of PS 1000 - Financial Statement Concepts and PS 1100 - Financial Statement Objectives. This framework defines the nature, function and scope of financial accounting and reporting in the public sector.

Section PS 1202 - Financial Statement Presentation

This standard will replace PS 1201 – Financial Statement Presentation. It includes changes to the statement of financial position to present financial assets, non-financial assets, total assets, financial liabilities, non-financial liabilities, total liabilities and net assets/net liabilities. There will also be a separate statement of changes in net assets or net liabilities (formerly know as accumulated surplus), and the addition of a statement of net financial assets or liabilities that presents a revised net financial assets or liabilities (formerly known as net debt) calculation. The principles in this standard are based on the concepts outlined in the Conceptual Framework, ensuring consistency and transparency in financial reporting.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
NOTES TO FINANCIAL STATEMENTS
December 31, 2025

NOTE 4. FINANCIAL INSTRUMENTS:

Classification

The following table provides the carrying amount information of the Village's financial instruments by category. The maximum exposure to credit risk for the financial assets would be the carrying values shown below.

Financial instrument	2025 Amortized cost / cost	2025 Fair value	2024 Amortized cost / cost	2024 Fair value
Cash and cash equivalents	\$1,713,509	\$2,796,036	\$1,951,435	\$ -
Restricted cash and cash equivalents	-	6,153,967	2,479,680	2,853,358
Accounts receivable	291,973	-	291,685	-
Taxes and utilities receivable	361,805	-	308,107	-
Accounts payable and accrued liabilities	569,022	-	564,429	-

Credit risk

Credit risk is the risk of financial loss to the Village if a debtor fails to discharge their obligation (e.g., pay the accounts receivable owing to the Village). The Village is exposed to this risk arising from its accounts receivable.

Accounts receivable is primarily due from government corporations and individuals. Credit risk is mitigated by the highly diversified nature of the debtors and other customers. The Village measures its exposure to credit risk based on how long the amounts have been outstanding. An impairment allowance is set up based on the Village's historical experience regarding collections. In the current and prior years, all of the impairment allowance related to the other receivables. There were no changes in exposures to credit risk during the period. The amounts outstanding at year end were as follows:

	Current	31-60 days	61-90 days	Over 90 days	Total
Government receivables	\$ 650,251	\$ -	\$ -	\$ -	\$ 650,251
Other accounts receivable	1,647	1,431	75	374	3,527
Net receivable	\$ 651,898	\$ 1,431	\$ 75	\$ 374	\$ 653,778

Liquidity risk

Liquidity risk is the risk that the Village will not be able to meet all cash outflow obligations as they come due. The Village mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and maintaining investments that may be converted to cash in the near-term if unexpected cash outflows arise.

Interest risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Village manages exposure through its normal operation and financing activities. It is management's opinion that the Village is not exposed to significant interest rate risk by its investments.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
NOTES TO FINANCIAL STATEMENTS
December 31, 2025

NOTE 5. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AND CASH EQUIVALENTS:	2025	2024
Statutory Reserve Fund	\$ 3,570,460	\$ 3,019,872
Reserve for future expenditures	<u>2,583,507</u>	<u>2,313,166</u>
Restricted cash and cash equivalents	6,153,967	5,333,038
Unrestricted cash and cash equivalents	<u>4,509,545</u>	<u>1,951,435</u>
	<u>\$ 10,663,512</u>	<u>\$ 7,284,473</u>
Consists of:		
Cash	\$ 1,713,509	\$ 4,431,115
Investments in pooled money market funds	<u>8,950,003</u>	<u>2,853,358</u>
	<u>\$ 10,663,512</u>	<u>\$ 7,284,473</u>
NOTE 6. DEFERRED REVENUE:	2025	2024
Federal Gas Tax Agreement - Community Works Fund:		
Opening balance of unspent funds	\$ 139,915	\$ -
Add: Amount received during the year	139,453	139,454
Interest earned	-	461
Closing balance of unspent funds	<u>279,368</u>	<u>139,915</u>
Other Funding:		
NG911 & Complete Communities grant		
Opening balance unspent funds	22,500	71,500
Less: Revenue recognized during the year	(22,500)	(49,000)
NDIT Marketing grant		
Opening balance unspent funds	-	10,000
Less: Revenue recognized during the year	-	(10,000)
Fire Smart grant		
Opening balance unspent funds	81,461	-
Add: Amount received during the year	-	81,461
Less: Revenue recognized during the year	(68,247)	-
Official Community Plan grant		
Opening balance unspent funds	149,476	-
Add: Amount received during the year	-	157,476
Less: Revenue recognized during the year	(87,655)	(8,000)
Indigenous Engagement grant		
Opening balance unspent funds	40,000	-
Add: Amount received during the year	40,000	40,000
Less: Revenue recognized during the year	(40,000)	-
Closing balance of unspent funds	<u>115,035</u>	<u>293,437</u>
Water Revenue - Universal Water Metering Project grant		
Opening balance unspent funds	-	-
Add: Amount received during the year	2,719,080	-
Less: Revenue recognized during the year	(103,729)	-
	<u>2,615,351</u>	<u>-</u>
Total	<u>\$ 3,009,754</u>	<u>\$ 433,352</u>

THE CORPORATION OF THE VILLAGE OF ASHCROFT
NOTES TO FINANCIAL STATEMENTS
December 31, 2025

NOTE 6. DEFERRED REVENUE (continued):

a) Community Works Fund:

Community Works funding is provided by the Government of Canada. The use of the funding is established by a funding agreement between the local government and the Union of British Columbia Municipalities. Community Works funding may be used towards designated public transit, community energy, water, wastewater, solid waste and capacity building projects, as specified in the funding agreements.

b) Other Funding:

Other funding has been deferred until related expenses are incurred.

c) Universal Water Metering project:

The Village received funding from the Government of British Columbia to support the installation of residential water meters. This grant forms part of a provincial pilot program designed to assist small communities and local water suppliers in tracking and managing water usage, mitigating the effects of drought, and promoting accurate user billing. The grant funding will be used specifically for the installation of water meters in households.

NOTE 7. ASSET RETIREMENT OBLIGATION

The Village has recognized an asset retirement obligation related to potential asbestos remediation in the buildings of the Village of Ashcroft. There are no plans to remediate the asbestos but the carrying value must be tracked.

A reconciliation of the aggregate carrying amount of the liability is as follows:

	2025	2024
Opening balance	\$ 240,336	\$ 232,826
Accretion expense	<u>7,510</u>	<u>7,510</u>
Closing balance	<u><u>\$ 247,846</u></u>	<u><u>\$ 240,336</u></u>

The liability is estimated using a present value technique that discounts the expected future expenditures. The discount rate used was based on the Municipal Finance Authority of BC's borrowing rate for liabilities with similar risks and maturity of 3.91% (2024 - 3.95%).

NOTE 8. TANGIBLE CAPITAL ASSETS:

Tangible capital assets consist of the following:

	2025	2024
Land	\$ 751,272	\$ 656,841
Pool, arena and other facilities	1,224,235	2,615,046
Buildings	2,096,492	863,251
Machinery and equipment	1,458,725	1,283,240
Roads	454,078	452,910
Storm sewer	341,246	346,491
Plants and facilities	11,593,627	10,473,844
Underground networks	<u>831,620</u>	<u>2,254,603</u>
	<u><u>\$ 18,751,295</u></u>	<u><u>\$ 18,946,226</u></u>

For additional information, see Schedule of Tangible Capital Assets (Appendix 1).

THE CORPORATION OF THE VILLAGE OF ASHCROFT
NOTES TO FINANCIAL STATEMENTS
December 31, 2025

NOTE 9. ACCUMULATED SURPLUS:	2025	2024
Accumulated surplus consists of individual fund surpluses and reserves as follows:		
Surplus from operations	<u>\$ 1,380,010</u>	<u>\$ 1,448,046</u>
Invested in tangible capital assets	<u>18,751,295</u>	<u>18,946,226</u>
Statutory reserve funds:		
Capital works reserve	3,021,823	2,725,374
Machinery and equipment replacement reserve	<u>548,637</u>	<u>294,498</u>
	<u>3,570,460</u>	<u>3,019,872</u>
Reserves for future expenditure:		
General	363,308	363,309
Fire department	389	383
Roads	203,047	64,873
Transit	100,356	98,919
Growing Communities	1,195,460	1,164,735
Water	66,504	66,504
Sewer	554,443	554,443
Emergency Operations Center	<u>100,000</u>	<u>-</u>
	<u>2,583,507</u>	<u>2,313,166</u>
	<u>\$ 26,285,272</u>	<u>\$ 25,727,310</u>

NOTE 10. COMMITMENTS AND CONTINGENCIES:

- a) Operation and Maintenance Agreement:
The Village has an operating lease for a photocopier and maintenance agreements for the water treatment plant and sewer treatment plant.

Future minimum monthly payments as at December 31, 2025, are as follows:

2026	\$ 123,436
2027	5,518
	<u>\$ 128,954</u>

- b) The employer and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2024, the plan has about 273,000 active members and approximately 133,000 retired members. Active members include approximately 47,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2024, indicated a \$2,675 million funding surplus for basic pension benefits on a going concern basis.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
NOTES TO FINANCIAL STATEMENTS
December 31, 2025

NOTE 10. COMMITMENTS AND CONTINGENCIES (continued):

The Village paid \$120,381 (2024 - \$118,555) for employer contributions to the plan in 2025.

The next valuation will be as at December 31, 2027.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

NOTE 11. PERPETUAL CARE TRUST FUND:

The Village operates a cemetery in accordance with the Cemetery and Funeral Services Act. The Village is required to maintain a trust fund which is not included in these financial statements. Details of the trust funds are as follows:

	2025	2024
BALANCE, beginning of year	\$ 82,459	\$ 76,813
Add:		
Proceeds from sale of plots and monuments	2,583	1,957
Interest earned	<u>2,306</u>	<u>3,689</u>
 BALANCE, end of year	 <u>\$ 87,348</u>	 <u>\$ 82,459</u>
 The perpetual care trust fund is represented by:		
Cash and short-term investments	<u>\$ 87,348</u>	<u>\$ 82,459</u>

NOTE 12. MUNICIPAL TAXATION REVENUE:

The Village is required to collect taxes on behalf of and transfer these amounts to the government agencies noted below:

	2025	2024
Tax collected:		
General purposes	\$ 2,124,314	\$ 2,032,975
Collections for other governments	<u>1,528,324</u>	<u>1,394,911</u>
	<u>3,652,638</u>	<u>3,427,886</u>
Less transfers to other governments:		
Province of BC - school taxes	940,913	856,671
Thompson-Nicola Regional District	299,828	272,033
Thompson Regional Hospital District	140,898	129,569
Municipal Finance Authority	94	86
BC Assessment Authority	19,029	17,181
Policing	<u>127,562</u>	<u>119,371</u>
	<u>1,528,324</u>	<u>1,394,911</u>
	<u>\$ 2,124,314</u>	<u>\$ 2,032,975</u>

THE CORPORATION OF THE VILLAGE OF ASHCROFT
NOTES TO FINANCIAL STATEMENTS
December 31, 2025

NOTE 13. GOVERNMENT TRANSFERS:

Government transfers are a major source of transfers to the Village. Government transfers received are for completed projects that meet the required criteria as set out by the Government body providing the funding. Government transfers do not include grants in lieu of taxes received from the Federal and Provincial governments. In 2025 the Village received and recorded as revenue the following transfers:

	2025	2024
Operating transfers:		
Provincial	\$ 773,160	\$ 790,180
Other governments	<u>573,444</u>	<u>476,512</u>
	<u>1,346,604</u>	<u>1,266,692</u>
Capital transfers:		
Provincial	<u>103,729</u>	<u>111,912</u>
	<u>\$ 1,450,333</u>	<u>\$ 1,378,604</u>

NOTE 14. CASH FLOW INFORMATION:

During the year, the Village received \$282,447 (2024 - \$332,915) in interest income.

NOTE 15. BUDGET:

The Financial Plan Bylaw adopted by Council included capital transactions such as acquisition of tangible capital assets, borrowing proceeds for the purchase of capital assets, and debt principal repayments. In addition, internal transfers between services, transfers to reserves, and transfers from surplus were included.

These capital transactions and transfers have been removed from the Financial Plan and presented as the budget in these Financial Statements as follows:

	Financial Plan Bylaw	Adjustments for capital transactions and transfers	Budget
REVENUES:			
Municipal taxation	\$ 2,096,743	\$ -	\$ 2,096,743
Sales of services	1,315,500	-	1,315,500
Government grants	2,688,825	-	2,688,825
Borrowings, licenses, permits, penalties and fines	204,950	-	204,950
Transfer from Surplus	828,299	(828,299)	-
	<u>7,134,317</u>	<u>(828,299)</u>	<u>6,306,018</u>
EXPENSES:			
General government services	754,107	-	754,107
Protective services	649,481	-	649,481
Transportation services	859,207	-	859,207
Environmental and public health services	567,794	-	567,794
Recreational and cultural services	1,066,124	-	1,066,124
Water and sewer services	1,522,599	-	1,522,599
Acquisition of tangible capital assets	1,300,000	(1,300,000)	-
Transfer to reserves	415,005	(415,005)	-
	<u>7,134,317</u>	<u>(1,715,005)</u>	<u>5,419,312</u>
ANNUAL SURPLUS	<u>\$ -</u>	<u>\$ 886,706</u>	<u>\$ 886,706</u>

**THE CORPORATION OF THE VILLAGE OF ASHCROFT
SCHEDULE OF TANGIBLE CAPITAL ASSETS
Year ended December 31, 2025**

	General					Water			Sewer		Totals		
	Land	Pool, Arena and Other	Buildings	Machinery & Equipment	Roads	Storm Sewer	Land	Plants & Facilities	Underground Networks	Plants & Facilities	Underground Networks	2025	2024
Cost													
Balance, beginning of year	\$ 656,841	\$ 4,129,138	\$ 2,401,348	\$ 3,332,601	\$ 7,469,756	\$ 530,323	\$ -	\$ 11,630,009	\$ 1,321,839	\$ 2,695,716	\$ 2,173,090	\$ 36,340,661	\$ 36,024,496
Add: Additions during the year	4,126	-	(13,913)	333,518	52,522	-	90,305	109,590	-	-	-	576,148	316,165
Transfers	-	(1,322,019)	1,322,019	-	-	-	-	-	-	1,401,093	(1,401,093)	-	-
Balance, end of year	660,967	2,807,119	3,709,454	3,666,119	7,522,278	530,323	90,305	11,739,599	1,321,839	4,096,809	771,997	36,916,809	36,340,661
Accumulated amortization													
Balance, beginning of year	-	1,514,092	1,538,097	2,049,361	7,016,846	183,832	-	2,615,033	773,472	1,236,848	466,854	17,394,435	16,680,763
Add: Amortization	-	68,792	74,865	158,033	51,354	5,245	-	275,175	14,170	115,725	7,720	771,079	713,672
Balance, end of year	-	1,582,884	1,612,962	2,207,394	7,068,200	189,077	-	2,890,208	787,642	1,352,573	474,574	18,165,514	17,394,435
Net Book Value of Tangible Capital Assets	<u>\$ 660,967</u>	<u>\$ 1,224,235</u>	<u>\$ 2,096,492</u>	<u>\$ 1,458,725</u>	<u>\$ 454,078</u>	<u>\$ 341,246</u>	<u>\$ 90,305</u>	<u>\$ 8,849,391</u>	<u>\$ 534,197</u>	<u>\$ 2,744,236</u>	<u>\$ 297,423</u>	<u>\$ 18,751,295</u>	<u>\$ 18,946,226</u>

Included in Pool, Arena and Other (General) is \$Nil (2024 - \$1,322,019) and included in Underground Networks \$Nil (2024 - \$1,401,093) of tangible capital assets under construction. These assets have not been amortized.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
STATEMENT OF FINANCIAL ACTIVITIES - SEGMENTED
Year ended December 31, 2025

	Government Services	Protective Services	Transportation Services	Environmental & Public Health Services	Recreational & Cultural Services	Water Services	Sewer Services	Reserve Funds	Total 2025	Total 2024
REVENUES:										
Municipal taxation	\$ 1,959,634	\$ -	\$ -	\$ -	\$ -	\$ 82,991	\$ 81,689	\$ -	\$ 2,124,314	\$ 2,032,975
Sales of services	8,434	5,751	-	169,791	128,708	553,189	459,458	-	1,325,331	1,324,804
Government transfers	771,401	91,000	1,758	482,445	-	103,728	-	-	1,450,332	1,378,604
Borrowings, licenses, permits, penalties and fines	40,098	-	-	-	-	-	-	-	40,098	33,197
Interest income	242,133	-	-	-	-	18,814	1,248	20,252	282,447	332,916
Donations and miscellaneous	37,946	8,710	-	-	20,645	2,497	-	-	69,798	41,704
	<u>3,059,646</u>	<u>105,461</u>	<u>1,758</u>	<u>652,236</u>	<u>149,353</u>	<u>761,219</u>	<u>542,395</u>	<u>20,252</u>	<u>5,292,320</u>	<u>5,144,200</u>
EXPENSES:										
Consulting and professional (recovery)	72,453	(36,057)	12,842	59,162	-	-	14,491	-	122,891	84,852
Grants	5,897	-	-	-	-	-	-	-	5,897	10,720
Insurance	24,210	851	323	-	24,999	37,698	11,922	-	100,003	97,556
Office and administration (recovery)	206,385	-	60	106,246	-	-	-	-	312,691	300,978
Accretion	7,511	-	-	-	-	-	-	-	7,511	7,511
Amortization	358,289	-	-	-	-	289,345	123,445	-	771,079	713,673
Repairs and maintenance	18,346	-	77,039	84,740	177,283	297,308	140,515	-	795,231	749,168
Salaries and benefits	746,062	70,507	386,086	142,973	423,959	101,348	88,020	-	1,958,955	1,917,432
Supplies and materials	-	241,774	114,591	2,013	1,859	3,552	35	-	363,824	254,466
Utilities and telephone	18,391	12,610	56,628	-	100,340	78,700	29,607	-	296,276	312,281
Overhead allocations	(781,040)	38,256	54,096	71,052	229,536	178,536	209,564	-	-	-
	<u>676,504</u>	<u>327,941</u>	<u>701,665</u>	<u>466,186</u>	<u>957,976</u>	<u>986,487</u>	<u>617,599</u>	<u>-</u>	<u>4,734,358</u>	<u>4,448,637</u>
EXCESS (DEFICIENCY)										
REVENUES OVER EXPENSES	2,383,142	(222,480)	(699,907)	186,050	(808,623)	(225,268)	(75,204)	20,252	557,962	695,563
INTERFUND TRANSFERS										
	<u>(2,075,296)</u>	<u>222,480</u>	<u>699,907</u>	<u>(186,050)</u>	<u>808,623</u>	<u>-</u>	<u>-</u>	<u>530,336</u>	<u>-</u>	<u>-</u>
ANNUAL SURPLUS										
	<u>\$ 307,846</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (225,268)</u>	<u>\$ (75,204)</u>	<u>\$ 550,588</u>	<u>\$ 557,962</u>	<u>\$ 695,563</u>

See accompanying notes to financial statements.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
STATEMENT OF FINANCIAL ACTIVITIES - SEGMENTED
Year ended December 31, 2024

	Government Services	Protective Services	Transportation Services	Environmental & Public Health Services	Recreational & Cultural Services	Water Services	Sewer Services	Reserve Funds	Total 2024
REVENUES:									
Municipal taxation	\$ 1,867,359	\$ -	\$ -	\$ -	\$ -	\$ 83,459	\$ 82,157	\$ -	\$ 2,032,975
Sales of services	9,850	15,446	-	165,462	126,662	549,113	458,271	-	1,324,804
Government grants	788,422	40,520	1,758	435,992	-	-	111,912	-	1,378,604
Borrowings, licenses, permits, penalties and fines	33,197	-	-	-	-	-	-	-	33,197
Interest income	267,395	-	-	-	-	30,557	2,029	32,935	332,916
Donations and miscellaneous	22,213	2,305	-	-	10,444	1,949	4,793	-	41,704
	<u>2,988,436</u>	<u>58,271</u>	<u>1,758</u>	<u>601,454</u>	<u>137,106</u>	<u>665,078</u>	<u>659,162</u>	<u>32,935</u>	<u>5,144,200</u>
EXPENSES:									
Consulting and professional (recovery)	44,833	(36,165)	329	62,091	-	-	13,764	-	84,852
Grants	10,720	-	-	-	-	-	-	-	10,720
Insurance	23,968	2,601	323	-	25,936	33,987	10,741	-	97,556
Office and administration	264,964	-	(1,635)	36,500	150	999	-	-	300,978
Accretion	7,511	-	-	-	-	-	-	-	7,511
Amortization	306,362	-	-	-	-	283,866	123,445	-	713,673
Repairs and maintenance	18,073	-	138,100	56,738	195,976	216,223	124,058	-	749,168
Salaries and benefits	748,537	63,959	379,595	122,633	423,248	83,357	96,103	-	1,917,432
Supplies and materials	-	111,569	122,707	2,771	3,656	7,833	5,930	-	254,466
Utilities and telephone	17,949	14,202	59,501	-	104,264	81,297	35,068	-	312,281
Overhead allocations	(702,828)	34,440	54,720	63,960	206,628	158,316	184,764	-	-
	<u>740,089</u>	<u>190,606</u>	<u>753,640</u>	<u>344,693</u>	<u>959,858</u>	<u>865,878</u>	<u>593,873</u>	<u>-</u>	<u>4,448,637</u>
EXCESS (DEFICIENCY)									
REVENUES OVER EXPENSES	2,248,347	(132,335)	(751,882)	256,761	(822,752)	(200,800)	65,289	32,935	695,563
INTERFUND TRANSFERS									
	<u>(1,828,835)</u>	<u>132,335</u>	<u>751,882</u>	<u>(256,761)</u>	<u>822,752</u>	<u>-</u>	<u>-</u>	<u>378,627</u>	<u>-</u>
ANNUAL SURPLUS									
	<u>\$ 419,512</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (200,800)</u>	<u>\$ 65,289</u>	<u>\$ 411,562</u>	<u>\$ 695,563</u>

See accompanying notes to financial statements.

THE CORPORATION OF THE VILLAGE OF ASHCROFT
GENERAL REVENUE FUND
STATEMENT OF FINANCIAL POSITION
December 31, 2025
(Unaudited)

FINANCIAL ASSETS	2025	2024
Cash	<u>\$ 1,713,509</u>	<u>\$ 4,431,115</u>
Investments in pooled money market funds	<u>7,506,702</u>	<u>1,449,670</u>
Receivables:		
Taxes and utilities	<u>361,805</u>	308,107
General	<u>291,973</u>	<u>291,685</u>
	<u>653,778</u>	<u>599,792</u>
	<u>9,873,989</u>	<u>6,480,577</u>
 LIABILITIES		
Accounts payable and accrued liabilities	<u>374,165</u>	376,580
Accrued wages and employee benefits	<u>194,970</u>	187,960
Deferred revenue	<u>3,009,754</u>	433,352
Due to Own Funds:		
Water Revenue Fund	<u>255,426</u>	409,359
Sewer Revenue Fund	<u>699,320</u>	652,327
Machinery and Equipment Replacement Reserve Fund	<u>397,828</u>	147,828
Capital Works Reserve Fund	<u>2,434,750</u>	2,154,414
Growing Communities Reserve Fund	<u>1,195,460</u>	1,164,735
Asset retirement obligation	<u>247,846</u>	<u>240,337</u>
TOTAL LIABILITIES	<u>8,809,519</u>	<u>5,766,892</u>
NET FINANCIAL ASSETS	<u>1,064,470</u>	<u>713,685</u>
 NON-FINANCIAL ASSETS		
Tangible capital assets	<u>6,235,742</u>	6,217,779
Prepaid expenses	<u>43,309</u>	<u>134,936</u>
	<u>6,279,051</u>	<u>6,352,715</u>
 ACCUMULATED SURPLUS	<u>\$ 7,343,521</u>	<u>\$ 7,066,400</u>

THE CORPORATION OF THE VILLAGE OF ASHCROFT
GENERAL REVENUE FUND
STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
Year ended December 31, 2025
(Unaudited)

	Budget	2025	2024
REVENUES:			
Municipal taxation	\$ 1,930,743	\$ 1,959,634	\$ 1,867,359
Sales of services	307,500	312,683	317,420
Government transfers:			
Unconditional transfers from Provincial Government	410,000	406,000	453,300
Unconditional transfers from Local Government	360,000	482,445	435,992
Conditional transfers from regional and other governments	818,825	458,160	377,400
Borrowings, licenses, permits, penalties and fines:			
Professional and business licenses	10,000	12,167	12,130
Other	1,000	8,710	1,785
Animal violation	150	-	520
Interest received	120,000	242,133	267,395
Penalties and interest on taxes	15,000	40,098	33,197
Rentals	12,000	17,617	7,867
Donations and other	20,000	28,807	12,660
Tax sale fees	500	-	-
	<u>4,005,718</u>	<u>3,968,454</u>	<u>3,787,025</u>
EXPENSES (Schedule 3)	<u>3,896,713</u>	<u>3,130,272</u>	<u>2,988,886</u>
EXCESS OF REVENUES OVER EXPENSES	109,005	838,182	798,139
TRANSFER TO GROWING COMMUNITIES RESERVE FUND	-	(30,725)	(49,967)
TRANSFER TO STATUTORY RESERVE FUNDS	<u>(276,034)</u>	<u>(530,336)</u>	<u>(378,627)</u>
ANNUAL SURPLUS (DEFICIT)	(167,029)	277,121	369,545
ACCUMULATED SURPLUS, beginning of year	<u>7,066,400</u>	<u>7,066,400</u>	<u>6,696,855</u>
ACCUMULATED SURPLUS, end of year	<u>\$ 6,899,371</u>	<u>\$ 7,343,521</u>	<u>\$ 7,066,400</u>

THE CORPORATION OF THE VILLAGE OF ASHCROFT
GENERAL REVENUE FUND
STATEMENT OF EXPENSES
Year ended December 31, 2025
(Unaudited)

	Budget	2025	2024
General Government Services:			
Legislative Expense:			
Council indemnities and expenses	\$ 55,000	\$ 49,998	\$ 49,007
General Administration Expenses:			
Office	67,000	69,167	58,863
Building operation and maintenance	31,500	36,737	36,022
Legal and professional	65,000	72,453	44,833
Salaries and employee benefits	777,625	746,062	741,723
Other General Government Expenses:			
Amortization	306,000	358,289	306,362
Accretion	7,510	7,511	7,511
Operational costs	104,500	22,685	108,333
Travel	12,500	3,258	6,535
Insurance	23,000	24,210	23,968
Grants to organizations	10,700	5,897	10,720
Sundry	73,500	61,277	35,650
Tax sale	1,000	-	13,390
Less amounts transferred to other services	(780,728)	(781,040)	(702,828)
	<u>754,107</u>	<u>676,504</u>	<u>740,089</u>
Protective Services:			
Administration	39,491	33,647	32,121
Volunteer stipends and benefits	43,600	40,022	42,283
Building operation and maintenance	13,700	12,610	14,202
Equipment	270,434	40,719	44,182
Emergency measures	47,000	69,445	4,941
Building inspection	4,414	5,518	4,414
Animal pest control	1,500	49	222
Bylaw officer	15,000	15,873	14,565
Sundry	214,342	110,058	33,676
	<u>649,481</u>	<u>327,941</u>	<u>190,606</u>
Transportation Services:			
Administration	421,307	373,481	368,120
Equipment operation and maintenance	141,000	108,095	112,916
Building operation and maintenance	62,000	62,829	85,770
Road and street maintenance	140,000	88,882	119,850
Street lighting	46,000	42,881	41,811
Traffic services	23,900	12,808	25,173
Sundry	25,000	12,689	-
	<u>859,207</u>	<u>701,665</u>	<u>753,640</u>
Environmental and Public Health Services:			
Garbage and waste collection	169,256	172,418	148,067
Cemetery	58,197	27,121	25,569
Planning and zoning	157,000	85,009	8,653
Community development	121,185	125,774	106,244
Natural resource development	8,796	12,762	7,883
Sundry	53,360	43,102	48,277
	<u>567,794</u>	<u>466,186</u>	<u>344,693</u>
Recreational and Cultural Services:			
Administration	373,784	354,012	349,347
Community hall	17,400	14,050	12,540
Lady Minto building	23,410	20,264	17,509
Swimming pool	192,070	173,345	166,830
Arena	208,600	215,283	260,511
Parks and playgrounds	185,500	117,303	99,852
Historic sites	5,613	2,743	5,828
Museum	47,247	50,339	41,402
Curling club	12,500	10,083	5,897
Community garden	-	554	142
	<u>1,066,124</u>	<u>957,976</u>	<u>959,858</u>
TOTAL EXPENSES	\$ 3,896,713	\$ 3,130,272	\$ 2,988,886

THE CORPORATION OF THE VILLAGE OF ASHCROFT
WATER REVENUE FUND
STATEMENT OF FINANCIAL POSITION
December 31, 2025
(Unaudited)

FINANCIAL ASSETS	2025	2024
Investments in pooled money market funds	\$ 659,959	\$ 641,845
Due from Own Funds:		
General Revenue Fund	<u>255,426</u>	<u>409,359</u>
	<u>915,385</u>	<u>1,051,204</u>
NET FINANCIAL ASSETS	915,385	1,051,204
Tangible capital assets	<u>9,473,894</u>	<u>9,563,343</u>
ACCUMULATED SURPLUS	<u>\$ 10,389,279</u>	<u>\$ 10,614,547</u>

THE CORPORATION OF THE VILLAGE OF ASHCROFT
WATER REVENUE FUND
STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
Year ended December 31, 2025
(Unaudited)

	Budget	2025	2024
REVENUES:			
Municipal taxation - water levy	\$ 83,500	\$ 82,991	\$ 83,459
Sale of services	550,000	553,189	549,113
Government transfers	1,100,000	103,728	-
Other revenues	23,300	21,311	32,506
	<u>1,756,800</u>	<u>761,219</u>	<u>665,078</u>
EXPENSES:			
Amortization	285,000	289,345	283,866
Maintenance and administration	561,544	697,142	582,012
	<u>846,544</u>	<u>986,487</u>	<u>865,878</u>
EXCESS (SHORTFALL) OF REVENUES OVER EXPENSES	<u>910,256</u>	<u>(225,268)</u>	<u>(200,800)</u>
ANNUAL SURPLUS (DEFICIT)	910,256	(225,268)	(200,800)
ACCUMULATED SURPLUS, beginning of year	<u>10,614,547</u>	<u>10,614,547</u>	<u>10,815,347</u>
ACCUMULATED SURPLUS, end of year	<u>\$ 11,524,803</u>	<u>\$ 10,389,279</u>	<u>\$ 10,614,547</u>

THE CORPORATION OF THE VILLAGE OF ASHCROFT
SEWER REVENUE FUND
STATEMENT OF FINANCIAL POSITION
December 31, 2025
(Unaudited)

FINANCIAL ASSETS	2025	2024
Investments in pooled money market funds	\$ 45,460	\$ 44,213
Due from Own Funds:		
General Revenue Fund	<u>699,320</u>	<u>652,327</u>
	<u>744,780</u>	<u>696,540</u>
NET FINANCIAL ASSETS	744,780	696,540
Tangible capital assets	<u>3,041,659</u>	<u>3,165,103</u>
ACCUMULATED SURPLUS	\$ 3,786,439	\$ 3,861,643

THE CORPORATION OF THE VILLAGE OF ASHCROFT
SEWER REVENUE FUND
STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
Year ended December 31, 2025
(Unaudited)

	Budget	2025	2024
REVENUES:			
Municipal taxation - sewer levy	\$ 82,500	\$ 81,689	\$ 82,157
Sale of services	458,000	459,458	458,271
Government transfers	-	-	111,912
Other revenues	3,000	1,248	6,822
	<u>543,500</u>	<u>542,395</u>	<u>659,162</u>
EXPENSES:			
Amortization	124,000	123,445	123,445
Maintenance and administration	552,055	494,154	470,428
	<u>676,055</u>	<u>617,599</u>	<u>593,873</u>
ANNUAL SURPLUS (DEFICIT)	(132,555)	(75,204)	65,289
ACCUMULATED SURPLUS, beginning of year	<u>3,861,643</u>	<u>3,861,643</u>	<u>3,796,354</u>
ACCUMULATED SURPLUS, end of year	<u>\$ 3,729,088</u>	<u>\$ 3,786,439</u>	<u>\$ 3,861,643</u>

THE CORPORATION OF THE VILLAGE OF ASHCROFT
STATUTORY RESERVE FUNDS
STATEMENT OF FINANCIAL POSITION
December 31, 2025
(Unaudited)

FINANCIAL ASSETS

	Machinery and Equipment Replacement Reserve	Capital Works Reserve	Total 2025	Total 2024
Investments in pooled money market funds	\$ 150,809	\$ 587,073	\$ 737,882	\$ 717,630
Due from General Revenue Fund	<u>397,828</u>	<u>2,434,750</u>	<u>2,832,578</u>	<u>2,302,242</u>
	<u>\$ 548,637</u>	<u>\$ 3,021,823</u>	<u>\$ 3,570,460</u>	<u>\$ 3,019,872</u>

RESERVES

BALANCE, beginning of year	\$ 294,498	\$ 2,725,374	\$ 3,019,872	\$ 2,608,310
REVENUE: Interest earned	4,139	16,113	20,252	32,935
TRANSFERS FROM GENERAL REVENUE FUND	<u>250,000</u>	<u>280,336</u>	<u>530,336</u>	<u>378,627</u>
BALANCE, end of year	<u>\$ 548,637</u>	<u>\$ 3,021,823</u>	<u>\$ 3,570,460</u>	<u>\$ 3,019,872</u>

THE CORPORATION OF THE VILLAGE OF ASHCROFT
GROWING COMMUNITIES FUND
STATEMENT OF GRANT EXPENSES
Year ended December 31, 2025
(Unaudited)

	2025	2024
REVENUES:		
Interest earned	\$ 30,725	\$ 49,967
ELIGIBLE COSTS	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER EXPENSES	30,725	49,967
FUNDS REMAINING, beginning of year	<u>1,164,735</u>	<u>1,114,768</u>
FUNDS REMAINING, end of year	<u>\$ 1,195,460</u>	<u>\$ 1,164,735</u>

The Province of British Columbia distributed conditional GCF grants to communities at the end of March 2023 to help local governments build community infrastructure and amenities to meet the demands of population growth. The GCF provided a one-time total of \$1 billion in grants to all 161 municipalities and 27 regional districts in British Columbia.

The Village of Ashcroft received \$1,076,000 of GCF funding in March 2023.